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November 10, 2005

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APPLICATION

6490-65062

Honorable James H. Welsh Commissioner of Conservation P.O. Box 94275 Baton Rouge, LA 70804-9275

Re:

2,000' Zone, Reservoir A

Humphrevs Field

Terrebonne Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **DENBURY ONSHORE**, **L.L.C.** for the calling of a public hearing, after thirty (30) days legal notice, to consider evidence relative to the issuance of Orders pertaining to the following matters in the **2,000' Zone**, **Reservoir A**, in the **Humphreys Field**, Terrebonne Parish, Louisiana, to-wit:

- To establish rules and regulations and create a single drilling and production unit for the exploration for and production of gas and condensate, such unit to be designated the 2000' RA SUA;
- To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit, with each tract sharing in unit production on a surface acreage basis of participation;
- 3. To designate Denbury Onshore, LLC as the unit operator for the proposed unit;

- 4. To designate the Denbury Onshore, LLC Charles B. Gilbert No. 1 Well as the unit well for the proposed unit;
- 5. To provide that any future wells drilled to the 2,000' Zone, Reservoir A, should be located in accordance with the spacing provisions of Statewide Order No. 29-E;
- 6. To provide that the Commissioner of Conservation should be authorized to reclassify the 2,000' Zone, Reservoir A, by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation; and
- 7. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The 2,000' Zone, Reservoir A, in the Humphreys Field, Terrebonne Parish, Louisiana, is hereby defined as being that gas and condensate bearing zone encountered between the depths of 2,424 feet and 3,100 feet, electrical log measurements (1,982 feet and 2,323 feet, TVD), in the Denbury Onshore, LLC – Charles B. Gilbert No. 1 Well, located in Section 3, Township 17 South, Range 15 East, Terrebonne Parish, Louisiana.

The pre-application conference tentatively scheduled for November 17, 2005, **WILL NOT BE HELD**, as it was not requested within the delays provided for by the Rules of Procedure; therefore, no opposition to this Application at the hearing is anticipated.

Pertinent data relating to the proposed application can be obtained, <u>AT THE COST OF THE REQUESTING PARTY</u>, by contacting Holmes Smart, 200 Audubon Blvd., Lafayette, Louisiana 70503, (337)-232-4031.

There is attached hereto and made a part hereof a plat outlining the proposed unit and a list of the names and addresses of the interested parties to whom this unitization proposal is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed herein is our check in the amount of \$755.00 made payable to the Office of Conservation in payment of the required hearing application fee.

Very truly yours,

RANDALI C SONGY

RCS/elg/bad

Enclosures

cc: Mr. Richard Hudson, District Manager

Office of Conservation

All Interested Owners, Interested Parties and

Represented Parties

